

Process Name: Accounts Receivable	Process Identifier: AR
Sub-Process Name: Write Offs	Sub-Process Identifier: AR-4
<p>Sub-Process Purpose and Objectives: To write-off uncollectible receivables.</p> <p>Sub-Process Description: The State uses primarily manual processes to write-off bad receivables. The receivables are relieved from STARS once they have gone through the steps necessary to write-off the receivable.</p> <p>The Agencies are primarily responsible for identifying bad accounts. The person in charge of receivables drafts a letter requesting a write off of a bad account. This letter is forwarded to the department head for approval. If the department head approves the write-off, the agency has the authority to write off any bad account less than \$25,000 with no single items greater than \$5,000. If the receivable has been recorded in STARS, the agency forwards the information to the Statewide Accounting (Accounts) to prepare the write-off entry. If the bad account write-off is greater than \$25,000 or a single item is greater than \$5,000, it then is forwarded to Accounts for review. If Accounts recommends approval, then it is forwarded to the Commissioner of F&A for approval; otherwise, it is returned to the agency for further clarification and processing. If the Commissioner of F&A approves the write-off, it is then forwarded to the Comptroller for approval; otherwise, it is returned to Accounts for further review and clarification. If the Comptroller approves the recommendation of write-off and the item is in STARS, an approval letter is forwarded to the Commissioner of F&A, who then forwards the information to Accounts to create the write-off entry. If the account to be written off is not in STARS, the review notes and approval letter are sent to the agency for any further processing, or to be filed. If the Comptroller does not approve the write-off, it is returned to the Commissioner of F & A for further analysis.</p>	
<p>Sub-Process Trigger(s):</p> <ul style="list-style-type: none"> Agency Letter Requesting Write off 	<p>Key Sub-Process Participants:</p> <ul style="list-style-type: none"> Agency Comptroller Statewide Accounting Commissioner of F&A
Inputs:	

Process Name: Accounts Receivable		Process Identifier: AR	
Sub-Process Name: Write Offs		Sub-Process Identifier: AR-4	
Input	Format	Volume/Time	Suppliers
Agency Letter	Manual	Approximately 25 per year	Agency
Outputs:			
Output	Format	Volume/Time	Recipients
Approved Write-off	Manual	Less than 100 per year	Submitting agency and Accounts
Performance Measures Tracked:			
Measure	Approx. Value	Target Value	
None			
Laws, Regulations, and Policies That Govern Sub-Process: Same as other financials			
Current Sub-Process Issues/Problems: Overall management of receivables is a problem due to separate systems among agencies and lack of management information regarding receivables. Manual letters are not always routed correctly			
Improvement Opportunities:			
Opportunity <i>Merge cells to link one Opportunity to multiple impacts)</i>		Organizational Impacts <i>(Individually list and describe laws [L] regulations [R], and policies [P], as well as cultural [C] considerations for each opportunity)</i>	
Applications that Support the Sub-process			
Application Name(s) <i>(Internal name and vendor's name)</i>		Technology Description <i>(Programming vendor, language, platform, database, etc.)</i>	
STARS		STARS is KPMG's mainframe governmental accounting system. It is written in COBOL and uses an IMS database.	

